

AMENDED IN SENATE MARCH 30, 2006

SENATE BILL

No. 1690

Introduced by Senator Romero

February 24, 2006

An act to amend Section ~~10209~~ 10214.5 of the Unemployment Insurance Code, relating to employment training panel.

LEGISLATIVE COUNSEL'S DIGEST

SB 1690, as amended, Romero. Employment Training Panel: employment training ~~contracts: eligible participants: contracts.~~

Under existing law, the Employment Training Panel has specified duties, including the duty to make contracts for training in job-related vocational skills, as specified. Existing law permits the panel, subject to certain requirements, to allocate a specified percentage of annual training funds for the purpose of funding special employment training projects to improve the skills of frontline workers, as defined.

This bill would authorize the panel to allocate funds for training in job-related vocational skills to increase the productivity and extended retention of workers in the state's major seasonal industries, as defined, and would authorize the panel to waive certain requirements contained in existing law under specified conditions.

~~Existing law requires the Employment Training Panel to perform various functions and duties with respect to implementing job training for eligible participants, including the establishment and updating of an annual plan relating to the effectiveness of panel training contracts, and authorizes the panel to require an employer who has previously received funds for retraining of workers at a facility to contribute proportionately more to the cost of training in subsequent panel contracts for training of workers at the same facility.~~

~~This bill would make nonsubstantive, technical changes to those provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 10214.5 of the Unemployment Insurance*
2 *Code is amended to read:*

3 10214.5. (a) The panel may allocate up to 10 percent of the
4 annually available training funds for the purpose of funding
5 special employment training projects that improve the skills and
6 employment security of frontline workers, as defined in
7 subdivision (a) of Section 10200. Notwithstanding any other
8 provision of this chapter, participants in these projects are not
9 required to meet the eligibility criteria set forth in paragraph (1)
10 of subdivision (a) of Section 10200 or subdivision (c) of Section
11 10201.

12 (b) The panel shall, on an annual basis, identify industries and
13 occupations that shall be priorities for funding under this section.
14 Training shall be targeted to frontline workers who earn at least
15 the state average weekly wage.

16 (c) The panel may waive the minimum wage provisions
17 pursuant to subdivision (f) of Section 10201 for projects in
18 regions of the state where the unemployment rate is significantly
19 higher than the state average, and may waive the employment
20 retentions provisions specified in subdivision (f) of Section
21 10209 and instead require that the trainee has been retained in
22 employment for a minimum of 90 days out of 120 consecutive
23 days after the end of training with no more than three employers.

24 (d) (1) *The panel may allocate funds pursuant to subdivision*
25 *(a) to increase the productivity and extended employment*
26 *retention of workers in the state's major seasonal industries.*

27 (2) *In funding special employment training projects for this*
28 *purpose, the panel may do all of the following:*

29 (A) *When the amount of the postretention wages of each*
30 *trainee who has completed training exceeds the amount of wages*
31 *that the trainee earned before and during training, waive the*
32 *minimum wage requirements set forth in subdivision (f) of*
33 *Section 10201.*

1 (B) Waive the employment retention requirements set forth in
2 subdivision (f) of Section 10209 and instead require that the
3 trainee be retained in employment for not less than 500 hours
4 within the 12-month period following the completion of the
5 training.

6 (C) When the panel finds that the training is necessary to
7 achieve the objectives of vocational training, waive the limitation
8 on job-related basic and literacy skills training set forth in
9 subdivision (a) of Section 10209.

10 (3) For purposes of this section, “major seasonal industries”
11 means employers who satisfy all of the following requirements:

12 (A) Have a workforce comprised of at least 50 percent of
13 workers whose employment period is necessarily cyclical,
14 including, but not limited to, businesses directly involved in the
15 harvesting, packing, or processing of goods or products.

16 (B) Have retained at least 50 percent of the same seasonal
17 employees for at least one season of not less than 500 hours for
18 the preceding 12-month period.

19 (C) Pay wages and provide benefits that exceed industry
20 averages.

21 ~~(d)~~

22 (e) The panel shall adopt minimum standards for consideration
23 of proposals to be funded pursuant to this section.

24 ~~(e)~~

25 (f) The panel may select contracts funded under this section
26 based on competitive bidding.

27 ~~(f)~~

28 (g) It is the intent of the Legislature in providing the authority
29 for these projects that the panel allocate these funds in a manner
30 consistent with the objectives of this chapter as provided in
31 Section 10200.

32 ~~SECTION 1. Section 10209 of the Unemployment Insurance~~
33 ~~Code is amended to read:~~

34 ~~10209. (a) Contracts shall only be made for training in~~
35 ~~job-related vocational skills that are necessary for participants to~~
36 ~~attain a new job or retain an existing job with definite career~~
37 ~~potential and long-term job security. The contracts for vocational~~
38 ~~skills training may include ancillary training for job-related basic~~
39 ~~and literacy skills training if the panel finds that the training is~~
40 ~~necessary to achieve the objectives of the vocational training.~~

1 ~~(b) Contracts for projects involving on-the-job training shall~~
2 ~~specify the specific skills and competencies to be gained as a~~
3 ~~result of the on-the-job training component of the project.~~

4 ~~(c) The panel shall not approve any training proposal that~~
5 ~~facilitates the change in ownership of a business leading to the~~
6 ~~likelihood that an existing collective bargaining agreement would~~
7 ~~be declared void.~~

8 ~~(d) To encourage a broad and equitable distribution of funds,~~
9 ~~the panel may require an employer who is a previous recipient of~~
10 ~~funds, pursuant to this chapter, for retraining of workers at one of~~
11 ~~its facilities to contribute proportionately more to the cost of~~
12 ~~training in subsequent panel contracts for training of workers at~~
13 ~~the same facility.~~

14 ~~(e) The panel may delegate to the executive director the~~
15 ~~authority to approve training contracts of up to one hundred~~
16 ~~thousand dollars (\$100,000), provided the contracts meet the~~
17 ~~requirements of this chapter and the policies established by the~~
18 ~~panel, and provided that the panel regularly reviews the actions~~
19 ~~taken by the executive director pursuant to this subdivision.~~

20 ~~(f) Payments shall be made in accordance with a performance~~
21 ~~contract under which partial payments may be made during~~
22 ~~training, a partial payment may be made on placement or~~
23 ~~retention of each trainee, and not less than 25 percent of the~~
24 ~~negotiated fee is withheld until the trainee has been retained in~~
25 ~~employment for 90 days after the end of training with a single~~
26 ~~employer, except for those occupations in which it is not~~
27 ~~customary for a worker to be employed 90 consecutive days with~~
28 ~~a single employer. In these latter cases, the panel may substitute~~
29 ~~a period similar to the probationary period customary to the~~
30 ~~occupation. The probationary period shall not be less than 500~~
31 ~~work hours and shall be completed within 272 days of the~~
32 ~~completion of the training. In no case shall any payment be~~
33 ~~considered to have been earned until the trainee has been retained~~
34 ~~in employment for 90 days or the equivalent probationary period~~
35 ~~for an occupation in which it is not customary for a worker to be~~
36 ~~employed 90 consecutive days with a single employer.~~

- 1 ~~(g) Contracts for new hire training shall require the contractor~~
- 2 ~~to provide the placement services necessary to ensure the trainees~~
- 3 ~~are placed in jobs for which they have been trained.~~

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